

March 2008
Unbundled Financials

Chugach Electric Association, Inc.

Finance Committee

April 30, 2008

March Financial Information

- **MWh Sales**
- **System Statement of Operations**
- **Generation Statement of Operations**
- **Transmission Statement of Operations**
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March MWh Sales



March YTD MWh Sales



System Statement of Operations

March 2008

	Total	Generation	Transmission	Distribution
1. Operating Revenue & Patronage Capital	\$ 23,708,242	\$ 16,606,356	\$ 2,238,626	\$ 4,863,260
2. Fuel Expense	10,697,428	10,697,428	0	0
3. Power Production Expense	1,321,930	1,321,930	0	0
4. Purchased Power Expense	2,521,241	2,521,241	0	0
5. Transmission Expense	429,041	0	429,041	0
6. Distribution Expense	748,958	0	0	748,958
7. Customer Expense	452,534	0	0	452,534
8. Administrative & General Expense	1,392,437	485,425	185,178	721,834
9. TOTAL Ops & Maint Expense (2 thru 8)	\$ 17,563,569	\$ 15,026,024	\$ 614,219	\$ 1,923,326
10. Depreciation & Amortization Expense	\$ 2,465,124	\$ 1,066,335	\$ 471,417	\$ 927,372
11. Tax Expense - Other	70,761	6,584	2,681	61,496
12. Interest on LT Debt	1,835,924	640,921	668,827	526,176
13. Interest Charged to Construction - Credit	(33,380)	(9,487)	(10,274)	(13,619)
14. Interest Expense - Other	52,645	14,962	16,204	21,479
15. Other Deductions	(653)	0	0	(653)
16. TOTAL Cost of Electric Service (10 thru 15)	\$ 21,953,990	\$ 16,745,339	\$ 1,763,074	\$ 3,445,577
17. Patronage Capital & Operating Margins	\$ 1,754,252	\$ (138,983)	\$ 475,552	\$ 1,417,683
18. Non-Operating Margins - Interest	33,859	0	0	33,859
19. Allowance for Funds Used During Construction	8,852	2,516	2,725	3,611
20. Non-Operating Margins - Other	(204)	(71)	(74)	(59)
21. Patronage Capital or Margins	\$ 1,796,759	\$ (136,538)	\$ 478,203	\$ 1,455,094
Achieved TIER	1.98	0.79	1.71	3.77
Operating Revenue per kWh	\$ 0.1128	\$ 0.0790	\$ 0.0106	\$ 0.0472
Operating Cost per kWh	\$ 0.1044	\$ 0.0797	\$ 0.0084	\$ 0.0334

System Statement of Operations

March YTD 2008

	Total	Generation	Transmission	Distribution
1. Operating Revenue & Patronage Capital	\$ 71,871,288	\$ 50,230,755	\$ 6,952,071	\$ 14,688,462
2. Fuel Expense	32,086,549	32,086,549	0	0
3. Power Production Expense	3,769,324	3,768,618	706	0
4. Purchased Power Expense	7,601,324	7,601,324	0	0
5. Transmission Expense	1,330,777	0	1,330,777	0
6. Distribution Expense	2,767,903	0	0	2,767,903
7. Customer Expense	1,352,118	0	0	1,352,118
8. Administrative & General Expense	4,790,653	1,677,276	641,750	2,471,627
9. TOTAL Ops & Maint Expense (2 thru 8)	\$ 53,698,648	\$ 45,133,767	\$ 1,973,233	\$ 6,591,648
10. Depreciation & Amortization Expense	\$ 7,380,319	\$ 3,197,418	\$ 1,407,887	\$ 2,775,014
11. Tax Expense - Other	218,919	18,372	7,482	193,065
12. Interest on LT Debt	5,675,210	1,981,216	2,067,479	1,626,515
13. Interest Charged to Construction - Credit	(116,094)	(30,159)	(36,078)	(49,857)
14. Interest Expense - Other	71,622	19,847	21,719	30,056
15. Other Deductions	37,449	0	0	37,449
15. TOTAL Cost of Electric Service (10 thru 15)	\$ 66,966,073	\$ 50,320,461	\$ 5,441,722	\$ 11,203,890
16. Patronage Capital & Operating Margins	\$ 4,905,215	\$ (89,706)	\$ 1,510,349	\$ 3,484,572
17. Non-Operating Margins - Interest	117,588	0	0	117,588
18. Allowance for Funds Used During Construction	34,208	8,839	10,674	14,695
19. Non-Operating Margins - Other	(204)	(71)	(74)	(59)
20. Patronage Capital or Margins	\$ 5,056,807	\$ (80,938)	\$ 1,520,949	\$ 3,616,796
Achieved TIER	1.89	0.96	1.74	3.22
Operating Revenue per kWh	\$ 0.1046	\$ 0.0731	\$ 0.0101	\$ 0.0445
Operating Cost per kWh	\$ 0.0974	\$ 0.0732	\$ 0.0079	\$ 0.0339

Generation Statement of Operations

March 2008

	<u>Budget</u>	<u>Generation</u>	<u>Variance</u>
1. Operating Revenue & Patronage Capital	\$ 15,219,513	\$ 16,606,356	\$ 1,386,843
2. Fuel Expense	9,285,235	10,697,428	1,412,193
3. Power Production Expense	1,344,698	1,321,930	(22,768)
4. Purchased Power Expense	2,548,944	2,521,241	(27,703)
5. Transmission Expense	0	0	0
6. Distribution Expense	0	0	0
7. Customer Expense	0	0	0
8. Administrative & General Expense	515,322	485,425	(29,897)
9. TOTAL Ops & Maint Expense (2 thru 8)	\$ 13,694,199	\$ 15,026,024	\$ 1,331,825
10. Depreciation & Amortization Expense	\$ 1,070,592	1,066,335	\$ (4,257)
11. Tax Expense - Other	15,929	6,584	(9,345)
12. Interest on LT Debt	683,419	640,921	(42,498)
13. Interest Charged to Construction - Credit	(13,969)	(9,487)	4,482
14. Interest Expense - Other	0	14,962	14,962
15. Other Deductions	7,098	0	(7,098)
16. TOTAL Cost of Electric Service (10 thru 15)	\$ 15,457,268	\$ 16,745,339	\$ 1,288,071
17. Patronage Capital & Operating Margins	\$ (237,755)	\$ (138,983)	\$ 98,772
18. Non-Operating Margins - Interest	0	0	0
19. Allowance for Funds Used During Construction	6,038	2,516	(3,522)
20. Non-Operating Margins - Other	0	(71)	(71)
21. Patronage Capital or Margins	\$ (231,717)	\$ (136,538)	\$ 95,179
Achieved TIER	0.66	0.79	0.13
Operating Revenue per kWh	\$ 0.0701	\$ 0.0790	\$ 0.0089
Operating Cost per kWh	\$ 0.0711	\$ 0.0797	\$ 0.0086

Generation Statement of Operations

March YTD 2008

		<u>Budget</u>		<u>Generation</u>		<u>Variance</u>
1. Operating Revenue & Patronage Capital	\$	48,552,252	\$	50,230,755	\$	1,678,503
2. Fuel Expense		30,347,093		32,086,549		1,739,456
3. Power Production Expense		4,065,840		3,768,618		(297,222)
4. Purchased Power Expense		7,533,517		7,601,324		67,807
5. Transmission Expense		0		0		0
6. Distribution Expense		0		0		0
7. Customer Expense		0		0		0
8. Administrative & General Expense		1,625,415		1,677,276		51,861
9. TOTAL Ops & Maint Expense (2 thru 8)	\$	43,571,865	\$	45,133,767	\$	1,561,902
10. Depreciation & Amortization Expense	\$	3,209,004		3,197,418	\$	(11,586)
11. Tax Expense - Other		28,818		18,372		(10,446)
12. Interest on LT Debt		2,061,826		1,981,216		(80,610)
13. Interest Charged to Construction - Credit		(40,212)		(30,159)		10,053
14. Interest Expense - Other		0		19,847		19,847
15. Other Deductions		21,293		0		(21,293)
15. TOTAL Cost of Electric Service (10 thru 15)	\$	48,852,594	\$	50,320,461	\$	1,467,867
16. Patronage Capital & Operating Margins	\$	(300,342)	\$	(89,706)	\$	210,636
17. Non-Operating Margins - Interest		0		0		0
18. Allowance for Funds Used During Construction		17,382		8,839		(8,543)
19. Non-Operating Margins - Other		0		(71)		(71)
20. Patronage Capital or Margins	\$	(282,960)	\$	(80,938)	\$	202,022
Achieved TIER		0.86		0.96		0.10
Operating Revenue per kWh	\$	0.0716		0.0731	\$	0.0015
Operating Cost per kWh	\$	0.0721		0.0732	\$	0.0011

Transmission Statement of Operations

March 2008

	Budget	Transmission	Variance
1. Operating Revenue & Patronage Capital	\$ 2,260,279	\$ 2,238,626	\$ (21,653)
2. Fuel Expense	0	0	0
3. Power Production Expense	0	0	0
4. Purchased Power Expense	0	0	0
5. Transmission Expense	543,329	429,041	(114,288)
6. Distribution Expense	0	0	0
7. Customer Expense	0	0	0
8. Administrative & General Expense	205,199	185,178	(20,021)
9. TOTAL Ops & Maint Expense (2 thru 8)	\$ 748,528	\$ 614,219	\$ (134,309)
10. Depreciation & Amortization Expense	\$ 500,380	\$ 471,417	\$ (28,963)
11. Tax Expense - Other	6,513	2,681	(3,832)
12. Interest on LT Debt	696,861	668,827	(28,034)
13. Interest Charged to Construction - Credit	(26,132)	(10,274)	15,858
14. Interest Expense - Other	0	16,204	16,204
15. Other Deductions	2,902	0	(2,902)
16. TOTAL Cost of Electric Service (10 thru 15)	\$ 1,929,052	\$ 1,763,074	\$ (165,978)
17. Patronage Capital & Operating Margins	\$ 331,227	\$ 475,552	\$ 144,325
18. Non-Operating Margins - Interest	0	0	0
19. Allowance for Funds Used During Construction	11,296	2,725	(8,571)
20. Non-Operating Margins - Other	0	(74)	(74)
21. Patronage Capital or Margins	\$ 342,523	\$ 478,203	\$ 135,680
Achieved TIER	1.49	1.71	0.22
Operating Revenue per kWh	\$ 0.0104	\$ 0.0106	\$ 0.0002
Operating Cost per kWh	\$ 0.0089	\$ 0.0084	\$ (0.0005)

Transmission Statement of Operations

March YTD 2008

	Budget	Transmission	Variance
1. Operating Revenue & Patronage Capital	\$ 7,052,902	\$ 6,952,071	\$ (100,831)
2. Fuel Expense	0	0	0
3. Power Production Expense	0	706	706
4. Purchased Power Expense	0	0	0
5. Transmission Expense	1,698,496	1,330,777	(367,719)
6. Distribution Expense	0	0	0
7. Customer Expense	0	0	0
8. Administrative & General Expense	644,180	641,750	(2,430)
9. TOTAL Ops & Maint Expense (2 thru 8)	\$ 2,342,676	\$ 1,973,233	\$ (369,443)
10. Depreciation & Amortization Expense	\$ 1,500,012	\$ 1,407,887	(92,125)
11. Tax Expense - Other	11,783	7,482	(4,301)
12. Interest on LT Debt	2,102,380	2,067,479	(34,901)
13. Interest Charged to Construction - Credit	(75,229)	(36,078)	39,151
14. Interest Expense - Other	0	21,719	21,719
15. Other Deductions	8,706	0	(8,706)
15. TOTAL Cost of Electric Service (10 thru 15)	\$ 5,890,328	\$ 5,441,722	\$ (448,606)
16. Patronage Capital & Operating Margins	\$ 1,162,574	\$ 1,510,349	\$ 347,775
17. Non-Operating Margins - Interest	0	0	0
18. Allowance for Funds Used During Construction	32,518	10,674	(21,844)
19. Non-Operating Margins - Other	0	(74)	(74)
20. Patronage Capital or Margins	\$ 1,195,092	\$ 1,520,949	\$ 325,857
Achieved TIER	1.57	1.74	0.17
Operating Revenue per kWh	\$ 0.0104	\$ 0.0101	\$ (0.0003)
Operating Cost per kWh	\$ 0.0087	\$ 0.0079	\$ (0.0008)

Distribution Statement of Operations

March 2008

	Budget	Distribution	Variance
1. Operating Revenue & Patronage Capital	\$ 4,803,815	\$ 4,863,260	\$ 59,445
2. Fuel Expense	0	0	0
3. Power Production Expense	0	0	0
4. Purchased Power Expense	0	0	0
5. Transmission Expense	0	0	0
6. Distribution Expense	917,872	748,958	(168,914)
7. Customer Expense	443,196	452,534	9,338
8. Administrative & General Expense	722,778	721,834	(944)
9. TOTAL Ops & Maint Expense (2 thru 8)	\$ 2,083,846	\$ 1,923,326	\$ (160,520)
10. Depreciation & Amortization Expense	\$ 903,039	\$ 927,372	\$ 24,333
11. Tax Expense - Other	77,986	61,496	(16,490)
12. Interest on LT Debt	549,831	526,176	(23,655)
13. Interest Charged to Construction - Credit	(41,921)	(13,619)	28,302
14. Interest Expense - Other	0	21,479	21,479
15. Other Deductions	10,833	(653)	(11,486)
16. TOTAL Cost of Electric Service (10 thru 15)	\$ 3,583,614	\$ 3,445,577	\$ (138,037)
17. Patronage Capital & Operating Margins	\$ 1,220,201	\$ 1,417,683	\$ 197,482
18. Non-Operating Margins - Interest	27,477	33,859	6,382
19. Allowance for Funds Used During Construction	18,120	3,611	(14,509)
20. Non-Operating Margins - Other	0	(59)	(59)
21. Patronage Capital or Margins	\$ 1,265,798	\$ 1,455,094	\$ 189,296
Achieved TIER	3.30	3.77	0.46
Operating Revenue per kWh	\$ 0.0448	\$ 0.0472	\$ 0.0024
Operating Cost per kWh	\$ 0.0334	\$ 0.0334	\$ 0.0000

Distribution Statement of Operations

March YTD 2008

	<u>Budget</u>	<u>Distribution</u>	<u>Variance</u>
1. Operating Revenue & Patronage Capital	\$ 15,057,257	\$ 14,688,462	\$ (368,795)
2. Fuel Expense	0	0	0
3. Power Production Expense	0	0	0
4. Purchased Power Expense	0	0	0
5. Transmission Expense	0	0	0
6. Distribution Expense	2,839,086	2,767,903	(71,183)
7. Customer Expense	1,428,813	1,352,118	(76,695)
8. Administrative & General Expense	2,286,071	2,471,627	185,556
9. TOTAL Ops & Maint Expense (2 thru 8)	\$ 6,553,970	\$ 6,591,648	\$ 37,678
10. Depreciation & Amortization Expense	\$ 2,703,251	\$ 2,775,014	\$ 71,763
11. Tax Expense - Other	211,858	193,065	(18,793)
12. Interest on LT Debt	1,658,799	1,626,515	(32,284)
13. Interest Charged to Construction - Credit	(120,683)	(49,857)	70,826
14. Interest Expense - Other	0	30,056	30,056
15. Other Deductions	32,500	37,449	4,949
15. TOTAL Cost of Electric Service (10 thru 15)	\$ 11,039,695	\$ 11,203,890	\$ 164,195
16. Patronage Capital & Operating Margins	\$ 4,017,562	\$ 3,484,572	\$ (532,990)
17. Non-Operating Margins - Interest	126,524	117,588	(8,936)
18. Allowance for Funds Used During Construction	52,166	14,695	(37,471)
19. Non-Operating Margins - Other	0	(59)	(59)
20. Patronage Capital or Margins	\$ 4,196,252	\$ 3,616,796	\$ (579,456)
Achieved TIER	3.53	3.22	(0.31)
Operating Revenue per kWh	\$ 0.0448	\$ 0.0445	\$ (0.0003)
Operating Cost per kWh	\$ 0.0329	\$ 0.0339	\$ 0.0010

Balance Sheet, Assets & Other Debits

March 2008

	<u>Total</u>	<u>G & T</u>	<u>Distribution</u>
1. Total Utility Plant In Service	\$ 810,008,996	\$ 473,060,853	\$ 336,948,143
2. Construction Work In Progress	15,892,543	10,059,169	5,833,374
3. Total Utility Plant (1 plus 2)	\$ 825,901,539	\$ 483,120,022	\$ 342,781,517
4. Accum. Provision for Depreciation and Amort.	(374,878,056)	(242,916,718)	(131,961,338)
5. Net Utility Plant (3 minus 4)	\$ 451,023,483	\$ 240,203,304	\$ 210,820,179
6. Nonutility Property - Net	24,461	0	24,461
7. Investment in Associated Organizations	11,993,216	8,560,528	3,432,688
8. Special Funds	663,334	319,289	344,045
9. Total Other Property & Investments (6 thru 8)	\$ 12,681,011	\$ 8,879,817	\$ 3,801,194
10. Cash & Temporary Investments	3,732,545	0	3,732,545
11. Special Deposits	125,117	48,035	77,082
12. Accounts Receivable - Net	26,893,638	19,806,301	7,087,337
13. Temporary Intracompany Non-Interest Bearing Balance	6,127,232	0	6,127,232
14. Materials and Supplies	30,793,883	23,294,008	7,499,875
15. Prepayments	1,708,070	820,780	887,290
16. Other Current & Accrued Assets	2,108,424	1,834,560	273,864
17. Total Current & Accrued Assets (10 thru 16)	\$ 71,488,909	\$ 45,803,684	\$ 25,685,225
18. Deferred Debits	20,790,842	18,985,409	1,805,433
19. Total Assets & Other Debits (5 + 9 + 17 + 18)	\$ 555,984,245	\$ 313,872,214	\$ 242,112,031

"Temporary Intracompany Non Interest Bearing Balance" does not represent a debt or payable to any customer.

Balance Sheet, Liabilities & Other Credits

March 2008

	<u>Total</u>	<u>G & T</u>	<u>Distribution</u>
20. Memberships	\$ 1,354,538	\$ 0	\$ 1,354,538
21. Patronage Capital & Margins & Equities	152,931,235	26,125,821	126,805,414
22. Total Margins & Equities (20 plus 21)	\$ 154,285,773	\$ 26,125,821	\$ 128,159,952
23. Long-Term Debt - Bonds (Net)	270,000,000	192,618,000	77,382,000
24. Long-Term Debt - Other (Net)	44,396,463	31,672,437	12,724,026
25. Total Long-Term Debt (23 plus 24)	\$ 314,396,463	\$ 224,290,437	\$ 90,106,026
26. Notes Payable	39,497,040	28,177,188	11,319,852
27. Accounts Payable	4,500,399	1,989,313	2,511,086
28. Temporary Intracompany Non-Interest Bearing Balance	6,127,232	6,127,232	0
29. Consumer Deposits	2,419,383	0	2,419,383
30. Other Current & Accrued Liabilities	32,610,292	26,551,989	6,058,303
31. Total Current & Accrued Liabilities (26 thru 30)	\$ 85,154,346	\$ 62,845,722	\$ 22,308,624
32. Deferred Credits	1,484,329	290,945	1,193,384
33. Misc Operating Reserves	663,334	319,289	344,045
34. Total Liab & Other Credits (22 + 25 + 31 + 32 + 33)	\$ 555,984,245	\$ 313,872,214	\$ 242,112,031
Equity Ratio	32.92%	10.43%	58.72%

"Temporary Intracompany Non Interest Bearing Balance" does not represent a debt or payable to any customer.

Debt Breakdown Comparison

December 31, 2007 vs March 31, 2008

	<u>12/31/07</u>	<u>03/31/08</u>	<u>Difference</u>
2001 Series A Bonds	\$ 150,000,000	\$ 150,000,000	\$ -
2002 Series A Bonds	\$ 120,000,000	\$ 120,000,000	\$ -
2002 Series B Bonds	\$ 29,600,000	\$ -	\$ (29,600,000)
Long-Term Debt - Bonds	\$ 299,600,000	\$ 270,000,000	\$ (29,600,000)
CoBank Bond 2	\$ 3,500,000	\$ 3,000,000	\$ (500,000)
CoBank Bond 3	\$ 18,376,673	\$ 17,677,513	\$ (699,160)
CoBank Bond 4	\$ 20,086,132	\$ 20,086,132	\$ -
CoBank Bond 5	\$ 3,860,695	\$ 3,632,818	\$ (227,877)
Long-Term Debt - Other	\$ 45,823,500	\$ 44,396,463	\$ (1,427,037)
Total Long-Term Debt	\$ 345,423,500	\$ 314,396,463	\$ (31,027,037)
NRUCFC Line of Credit	\$ -	\$ 29,713,659	\$ 29,713,659
CoBank Line of Credit	\$ -	\$ 5,500,000	\$ 5,500,000
CoBank Bond 2 - Current	\$ 2,000,000	\$ 2,000,000	\$ -
CoBank Bond 3 - Current	\$ 640,569	\$ 699,160	\$ 58,591
CoBank Bond 4 - Current	\$ 700,156	\$ 700,156	\$ -
CoBank Bond 5 - Current	\$ 866,079	\$ 884,065	\$ 17,986
2002 Series B Bonds - Current	\$ 5,900,000	\$ -	\$ (5,900,000)
Total Notes Payable	\$ 10,106,804	\$ 39,497,040	\$ 29,390,236

Current Assets to Current Liab

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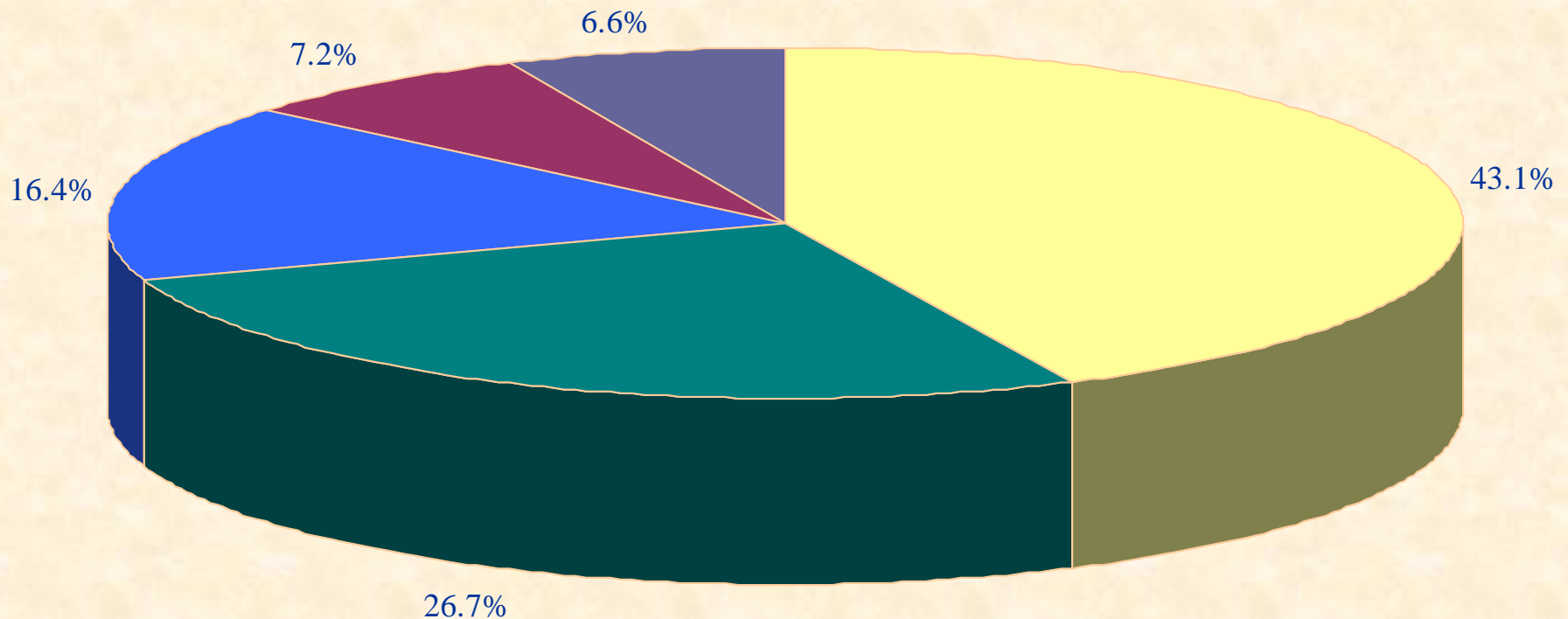
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Statements of Cash Flows

March YTD 2008

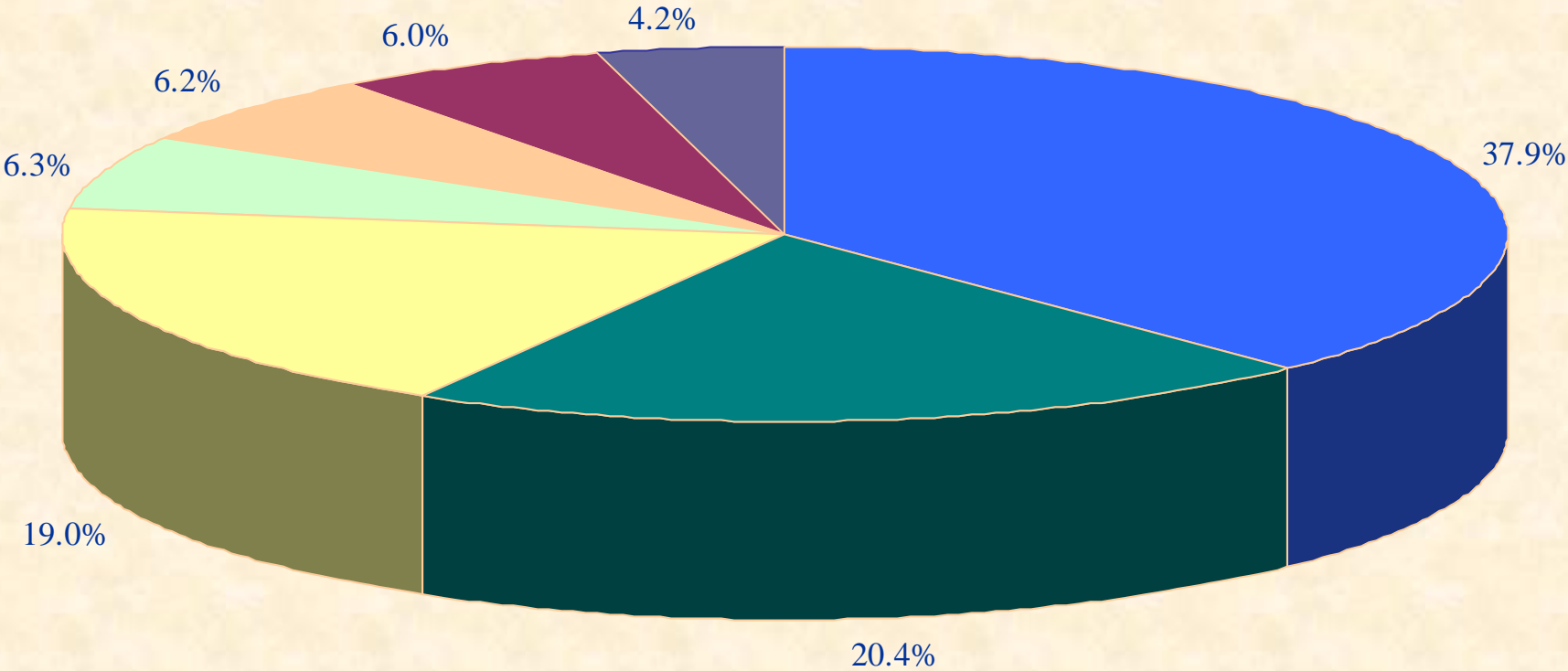
	<u>Total</u>	<u>G&T</u>	<u>Distribution</u>
1. Cash flows from operating activities:			
Assignable margins	\$ 5,056,807	\$ 1,440,011	\$ 3,616,796
Adjustments to reconcile assignable margins to net cash provided (used) by operating activities:			
Depreciation & amortization	8,632,257	5,480,348	3,151,909
Capitalization of interest	(150,302)	(85,750)	(64,552)
Other	162	151	11
Changes in assets and liabilities:			
(Increase) decrease in assets	(480,226)	(491,713)	11,487
Increase (decrease) in liabilities	(9,402,773)	(6,119,421)	(3,283,352)
Net cash provided by operating activities:	\$ 3,655,925	\$ 223,626	\$ 3,432,299
2. Cash flows from investing activities:			
Extension and replacement of plant	(3,988,911)	(1,578,325)	(2,410,586)
Net cash used for investing activities:	\$ (3,988,911)	\$ (1,578,325)	\$ (2,410,586)
3. Cash flows from financing activities:			
Short-term obligations	35,213,659	25,121,424	10,092,235
Repayments of long-term obligations	(36,850,460)	(26,289,118)	(10,561,342)
Temporary Intracompany Non Interest Bearing Balance*	0	2,522,119	(2,522,119)
Patronage capital / Other	(507,603)	274	(507,877)
Net cash used for financing activities:	(2,144,405)	1,354,699	(3,499,104)
Net increase (decrease) in cash and cash equivalents	(2,477,391)	0	(2,477,391)
4. Cash & cash equivalents at beginning of year	\$ 6,209,936	\$ 0	\$ 6,209,936
5. Cash & cash equivalents at end of period	\$ 3,732,545	\$ 0	\$ 3,732,545

Generation Agreement Overtime March 2008



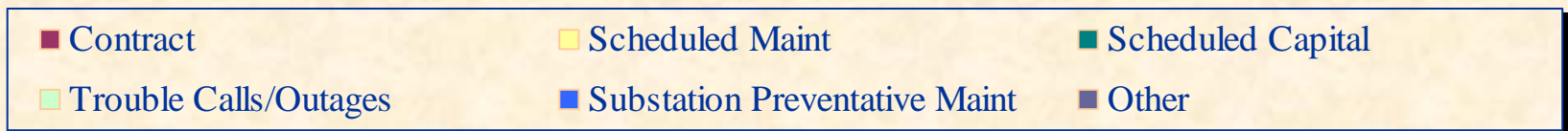
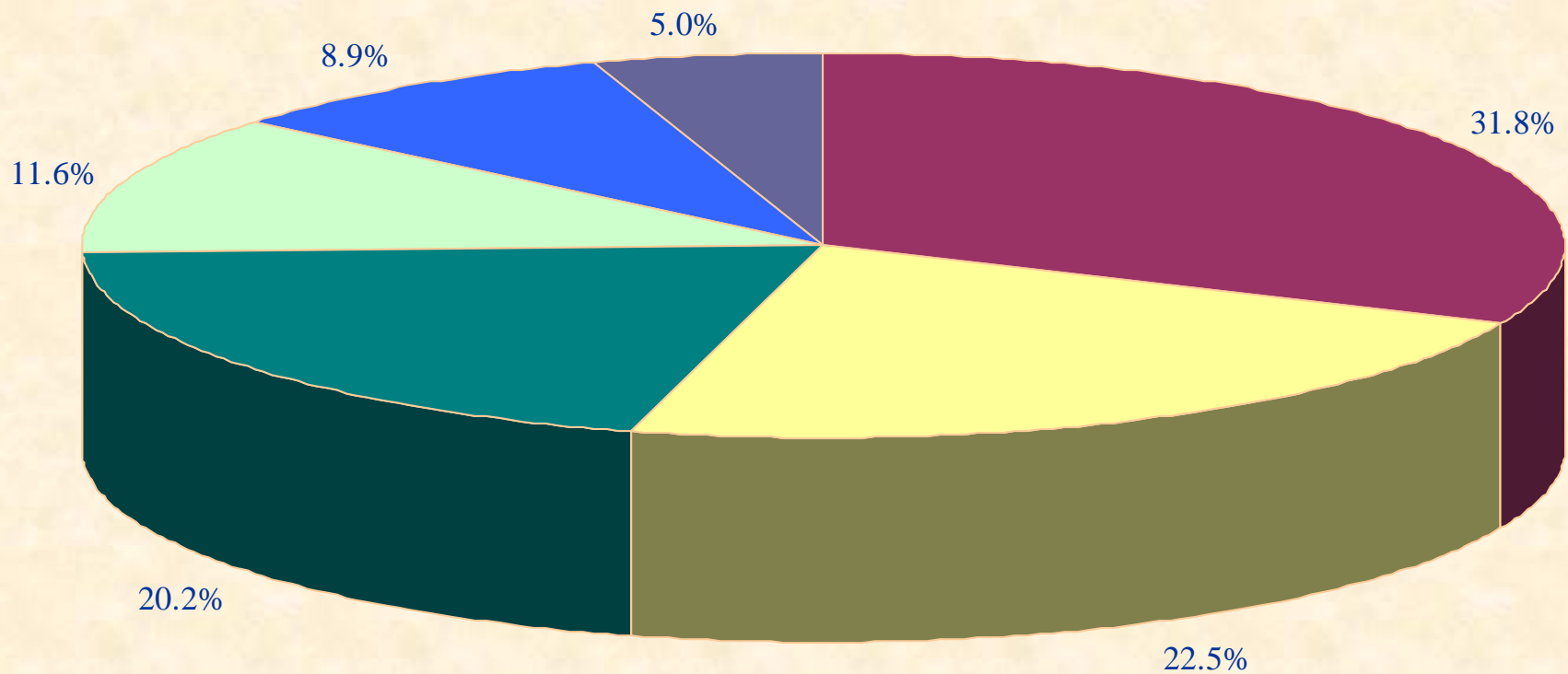
Call Back Hold Scheduled Holiday Worked Call Out Other

Generation Agreement Overtime March YTD 2008

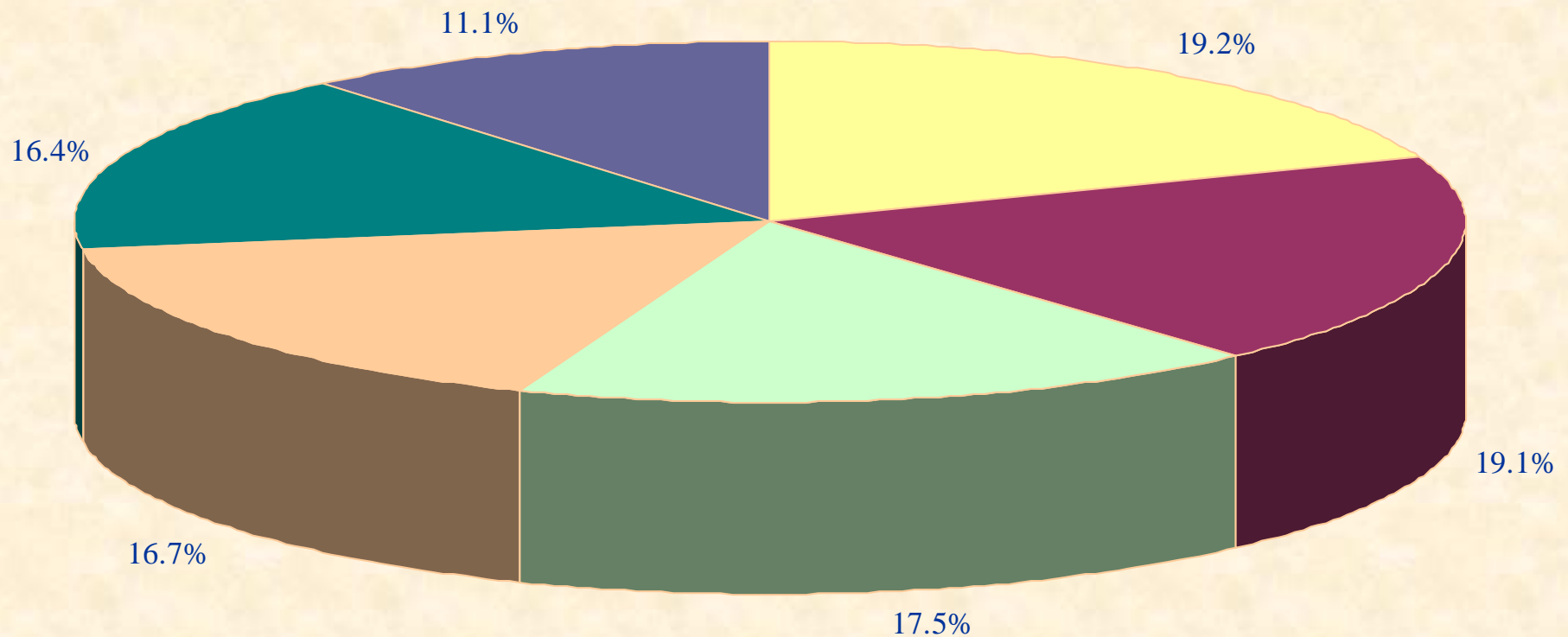


Holiday Worked	Scheduled	Call Back Hold	Sat & Sun
Complete Job	Call Out	Other	

Outside Agreement Overtime March 2008



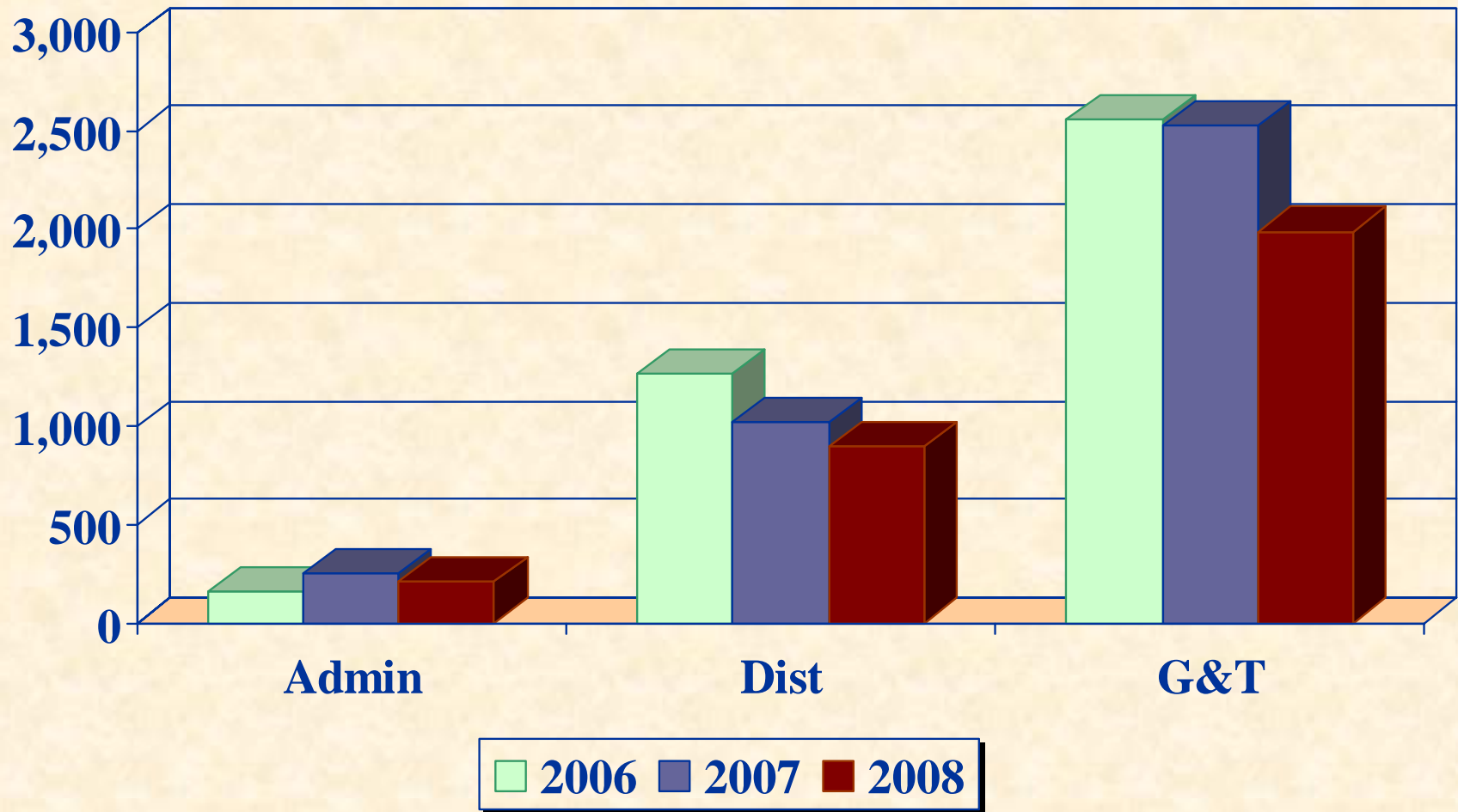
Outside Agreement Overtime March YTD 2008



 Scheduled Maint	 Contract	 Trouble Calls/Outages
 System Ops & Maint	 Scheduled Captial	 Other

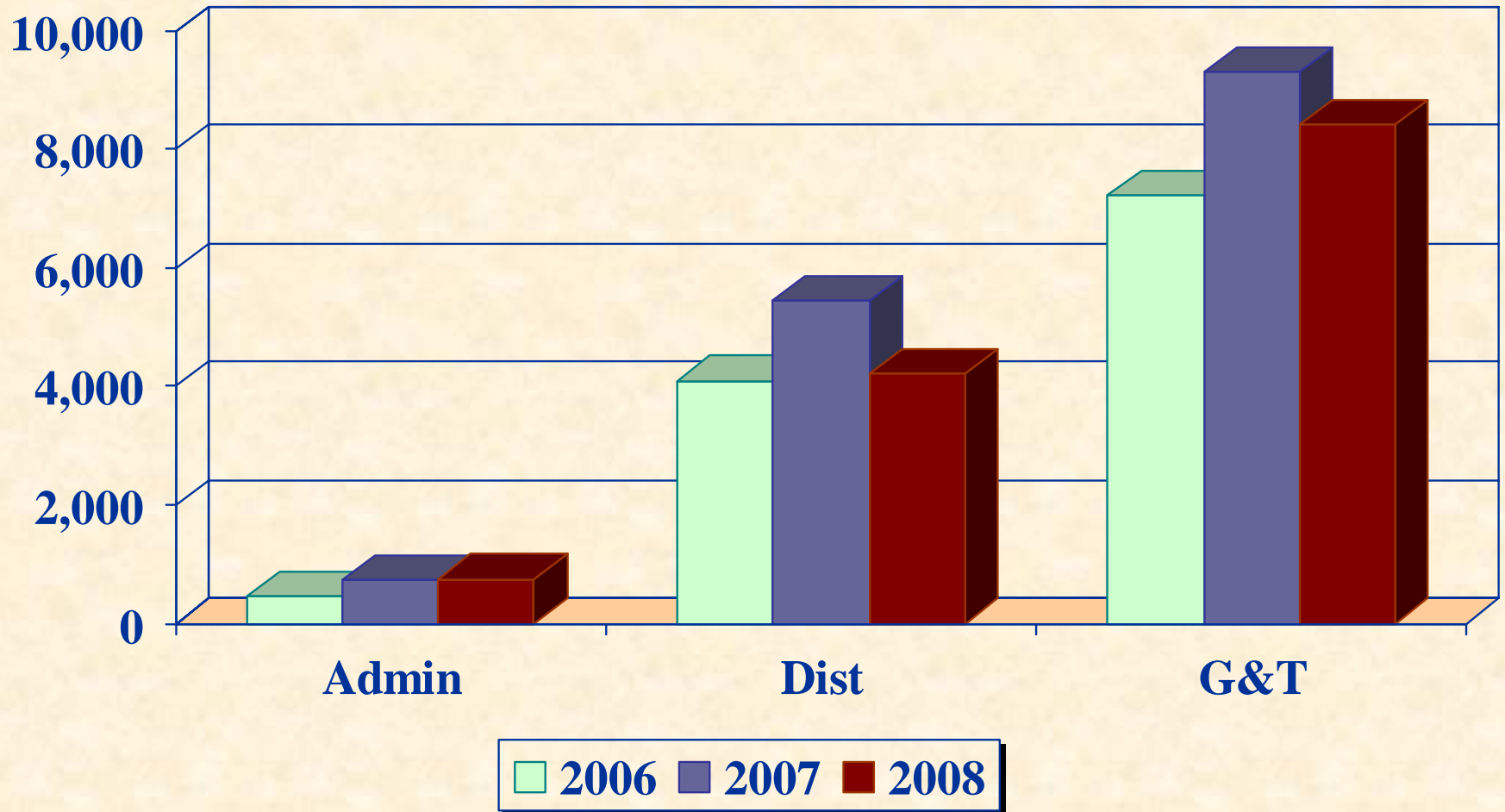
Overtime Hours

March 2008



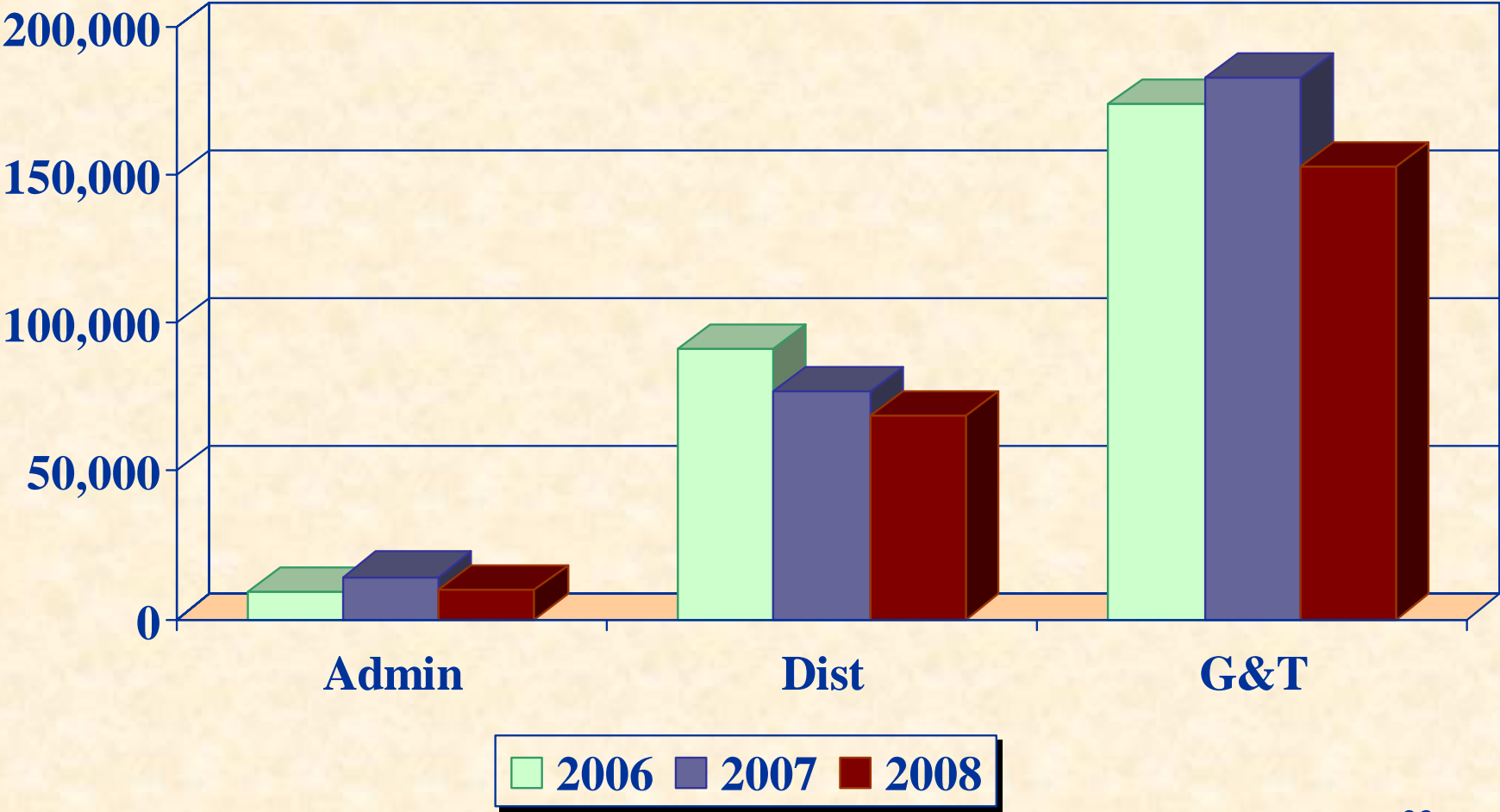
Overtime Hours

March YTD 2008



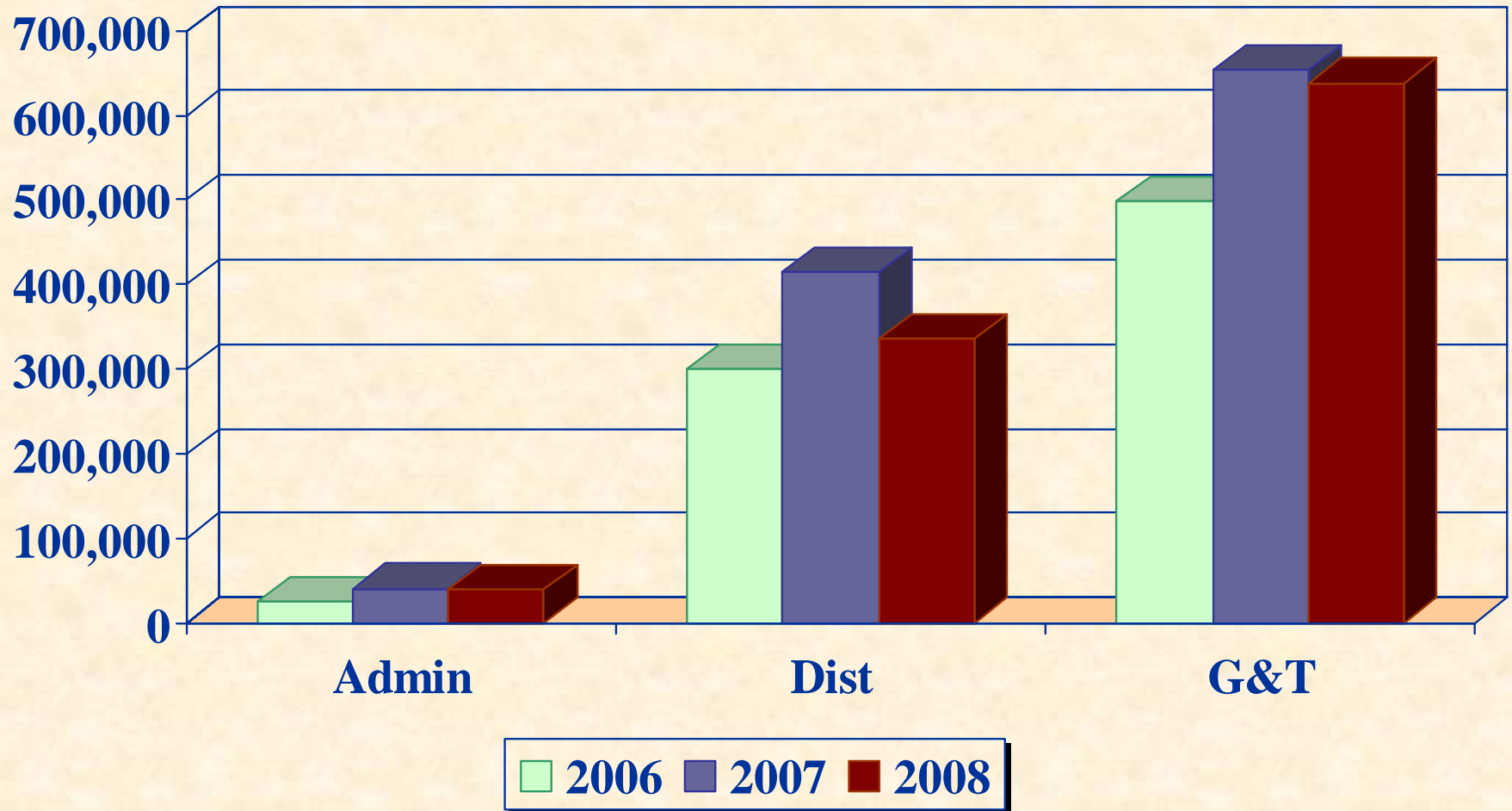
Overtime Dollars

March 2008



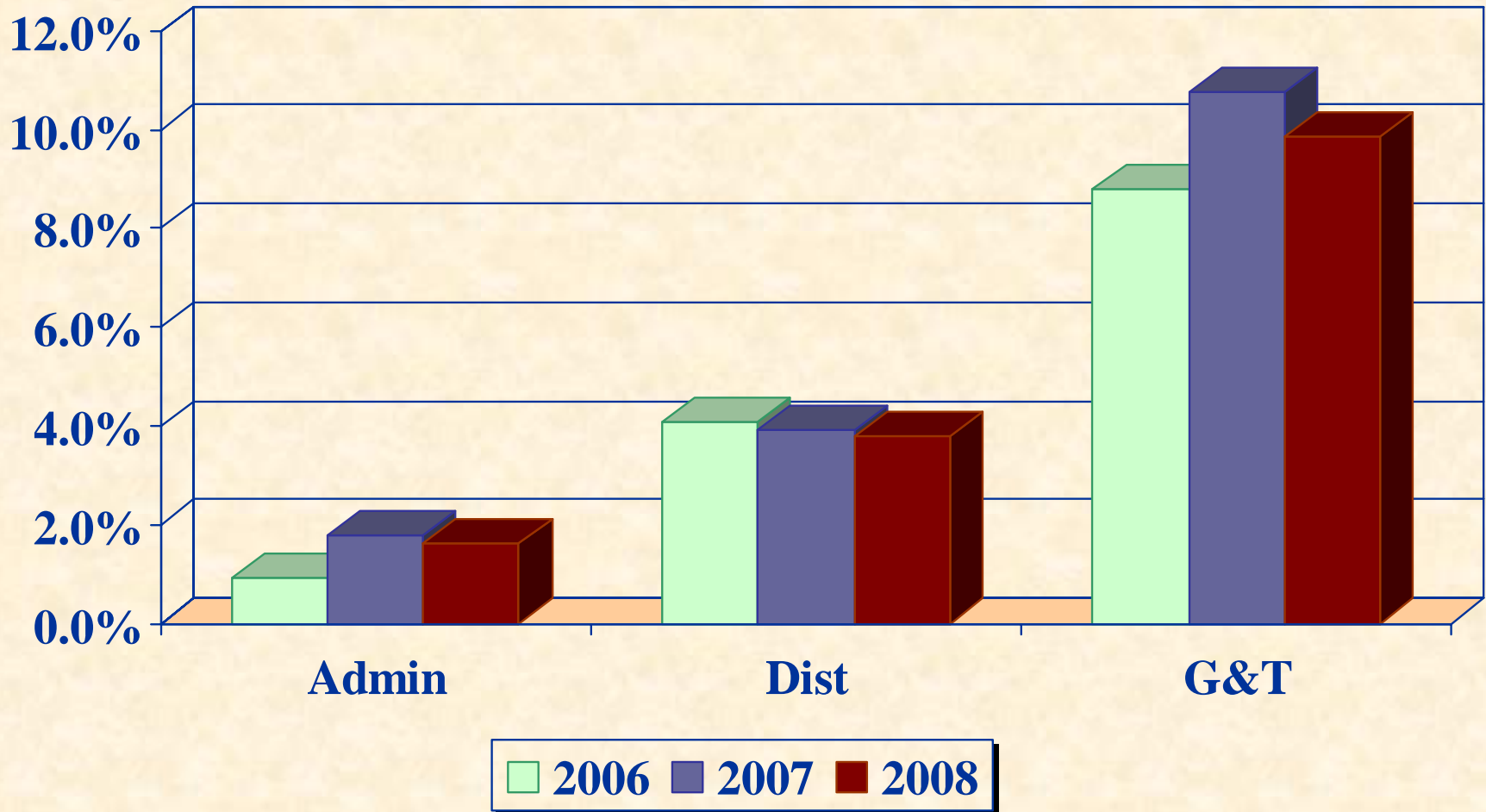
Overtime Dollars

March YTD 2008



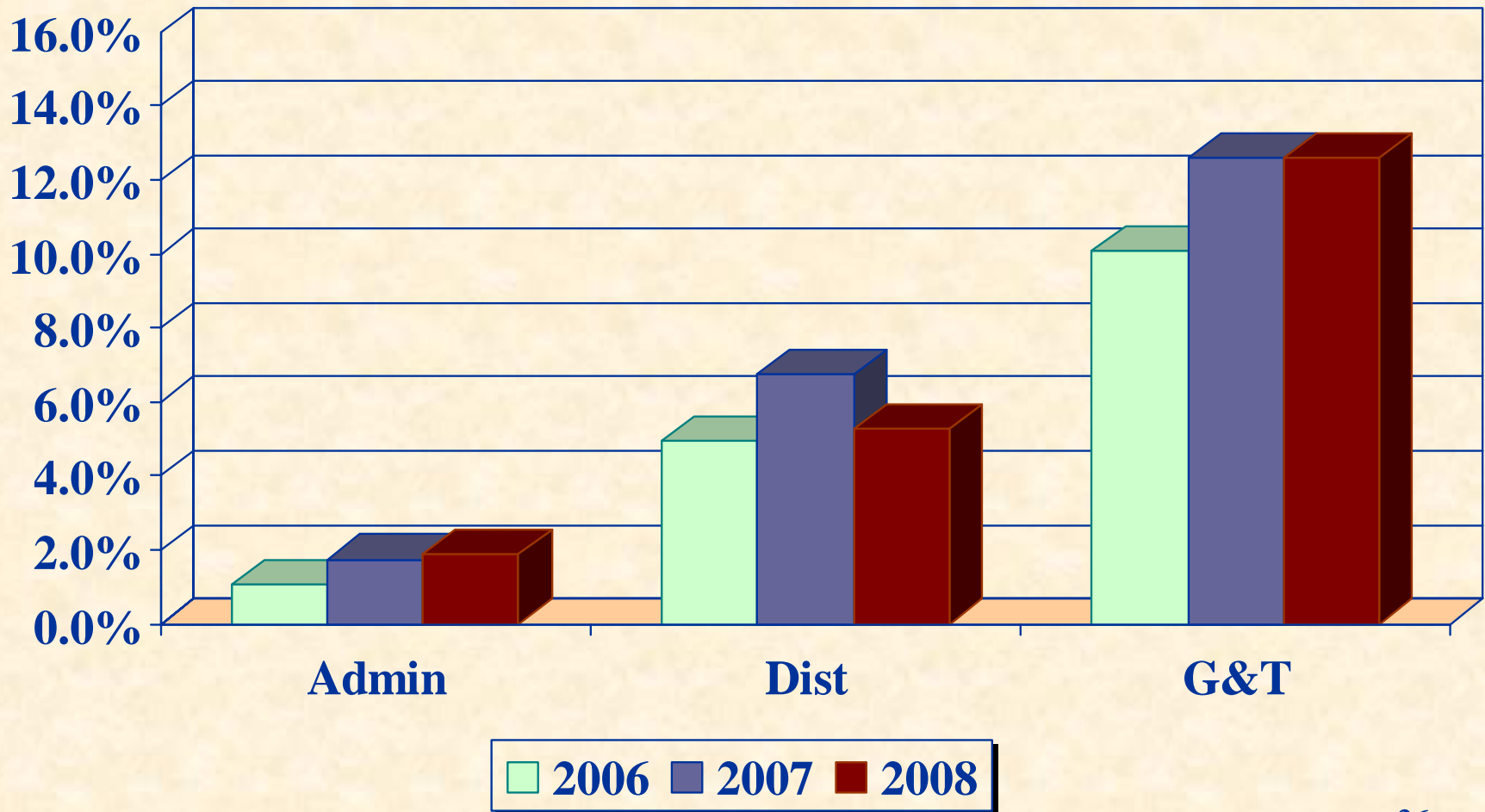
Overtime as a Percentage of Total Hours

March 2008



Overtime as a Percentage of Total Hours

March YTD 2008



Questions?